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family economics review

Consumer and Food Economics Research Division
Agricultural Research Service
UNITED STATES DEPARTMENT OF AGRICULTURE

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Family Economics Review is a quarterly report on research of the Consumer and Food Economics Research Division and on information from other sources relating to economic aspects of family living. It is developed by Dr. Emma G. Holmes, research family economist, with the cooperation of other staff members of the Division. It is prepared primarily for home economics agents and home economics specialists of the Cooperative Extension Service.

Schools taking part in the National School Lunch Program use the Type A lunch pattern to aid in planning their menus. The nutritional goal of this pattern is to provide one-third of the daily Recommended Dietary Allowances (RDA's) set by the National Academy of Sciences-National Research Council. The National School Lunch Regulations specify that a Type A lunch shall contain, as a minimum:

1/2 pint of fluid whole milk, served as a beverage.
2 ounces (edible portion as served) of lean meat, poultry, fish; or 2 ounces of cheese; or one egg; or 1/2 cup of cooked dry beans or peas; or 4 tablespoons of peanut butter; or an equivalent of any combination of these foods. To count in meeting the requirement, these foods must be served in a main dish or a main dish and one other menu item.
3/4 cup of two or more vegetables or fruits or both. A serving (1/4 cup or more) of full-strength vegetable or fruit juice may be counted to meet not more than 1/4 cup of this requirement.
1 slice of whole-grain or enriched bread; or a serving of other bread such as cornbread, biscuits, rolls, muffins, made of whole-grain or enriched meal or flour.
2 teaspoons of butter or fortified margarine.

These kinds and amounts of foods are based on the RDA's for 10- to 12-year-old children. Smaller quantities of the protein-rich foods, vegetables and fruits, and butter or margarine may be served to younger children, based on the lesser food needs of these children. Larger quantities of the foods specified in the pattern are suggested for boys and girls in junior and senior high schools to meet their greater nutritional needs. It is recommended, but not required, that lunches include a Vitamin C food and several foods for iron each day, and a Vitamin A food twice a week. Other foods may be used as needed to satisfy appetites and round out the meal.

The study reported here was designed by the Consumer and Food Economics Research Division of the Agricultural Research Service to obtain information regarding the nutritive content of Type A lunches as served to sixth graders. The School Lunch Division of the Consumer and Marketing Service and 19 State school lunch agencies cooperated in the study. The purpose was to test the interpretation by the schools of the Type A pattern rather than to determine actual nutrient intakes of the children. Therefore, data were obtained on the basic lunches as served, not as eaten. No information was obtained on second helpings, extra food offered, or plate waste.

During the autumn of 1966, lunches from four trays were collected on 5 consecutive days in each of 300 schools. Because most sixth graders are in the age group whose food needs form the basis for the Type A pattern, lunches were collected at the time sixth graders were served. The twenty-lunch sample from each school was sent to a laboratory, and analyzed for nutrients.

Results showed that lunches, on the average, met or exceeded the nutritional goal of one-third of the RDA for all nutrients except iron and magnesium (see table). They tended to fall below the goal for food energy (calories). Lunches that were low in food energy also tended to be low in one or more other nutrients. Extra servings of foods, Nutritional goal (1/3 RDA 1/) and nutrient content of Type A school lunches served to sixth graders in 300 schools in the National School Lunch Program

Item	1/3 RDA 1/	Content of lunches		
		Minimum	Maximum	Average
Food energy----------------cal.	790	456	1,149	735
Protein---------------------g.	16	20.4	47.0	29.8
Vitamin A-----------------I.U.	1,500	380	10,300	2,100
Niacin equivalents 2/------mg.	5.3	6.2	21.5	11.8
Riboflavin-----------------mg.	0.43	0.45	1.69	0.76
Thiamine-------------------mg.	0.40	0.12	0.80	0.44
Vitamin B_6-----------------mg.	0.47	0.23	0.76	0.46
Vitamin B_{12}----------------mg.	1.7	1.1	51.5	2.7
Vitamin D-----------------I.U.	133	0	370	180
Calcium--------------------mg.	400	323	908	455
Iron-----------------------mg.	4.7	1.3	17.9	4.2
Magnesium------------------mg.	100	61	152	93
Phosphorus-----------------mg.	400	338	848	518
Calories from fat---------pct.	(3/)	27	54	39

1/ Average Recommended Dietary Allowances (1968) of the National Academy of Sciences-National Research Council (NAS-NRC) for boys and girls 10 to 12 years of age. 2/ Includes niacin equivalents provided by tryptophan.

3/ No allowance set by NAS-NRC.

where available, could easily have brought the average level of food energy and of some nutrients up to the goal.

The nutrient content of the lunches from the 300 schools varied considerably. Samples from all schools were above the goal of one-third of the RDA for protein, riboflavin, and niacin equivalents. Lunches from a number of schools were below the goal for food energy and certain vitamins and minerals, particularly Vitamin A, Vitamin B_6, iron, and magnesium. Lunches from a number of schools failed to meet the goal for Vitamin D. Since children can obtain Vitamin D from the action of sunlight on their skin, however, the significance of this finding is questionable.

The protein content of lunches was significantly related to the content of several nutrients, including niacin, Vitamin B_6, iron, and magnesium. This indicates that the so-called protein-rich foods in the Type A pattern also provide these nutrients.

No data were obtained on ascorbic acid (Vitamin C) in the lunches. The goal for Vitamin C should not be as hard to reach now as formerly, because the recommended allowance was considerably reduced in 1968.

An average of 39 percent of total calories in the lunches was supplied by fat. In more than one-third of the schools, fat accounted for over 40 percent of the total calories. No RDA's have yet been established for fat. However, levels of fat that account for less than 40 percent of total calories probably are more desirable than levels accounting for more than 40 percent.

The information from this study will provide part of the basis for the continuing review of the School Lunch Program by the Agricultural Research Service.

--Percilla C. Koons and Elizabeth W. Murphy

USE OF VITAMIN AND MINERAL SUPPLEMENTS

In the U.S. Department of Agriculture's food consumption survey in spring 1965, information was obtained about the vitamin and mineral supplements individuals used as well as the foods they ate. The interviewers asked, "Did (name of family member) take any vitamin or mineral pills, capsules, oil, or other supplements yesterday?" They did not ask about the kinds and amounts of supplements used.

The findings showed that vitamin and mineral supplements were used by relatively more young children and elderly persons than by other age groups. For example--

- More than one-half (55 percent) of the infants under one year of age received supplements during the 24-hour period;
- About 40 percent of the children between 1 and 2 years old had supplements. The proportion using them declined to 25 percent among children aged 6 to 8, 14 percent among 12-to-14-year olds, and 12 percent among boys and girls of 15 to 17 years.
- Among adults, those 75 years old and over were most likely to use supplements. About 34 percent of this age group used them compared with 18 to 20 percent of the women and 12 to 14 percent of the men in age groups 20 to 54 years.

Use of vitamin and mineral supplements also varied among income groups, generally increasing as income rose. For example, about 38 percent of the infants in families with incomes under $3,000 received vitamin and mineral supplements and 66 percent in families with incomes over $5,000. Of the young women 18 and 19 years old in these same income groups, 3 and 22 percent, respectively, used supplements.

--Alexandria Spanias

Source: U.S. Department of Agriculture, Consumer and Food Economics Research Division. Food Intake and Nutritive Value of Diets of Men, Women, and Children in the United States, Spring 1965. U.S. Dept. Agr. ARS 62-18, 97 pp. 1969.

SAVING BY U.S. HOUSEHOLDS

U.S. households save by adding to their financial assets and to their investment in homes and consumer durable goods. At the same time, they may take on new debts and their homes and durables depreciate in value. Their net saving (additions minus depreciation) in 1968 averaged $909 per household, of which 45 percent was in financial assets, 24 percent in homes, and 31 percent in durables. This amount, $909, was 119 percent higher than the net saving of households in 1960 in current dollars and 86 percent higher in constant dollars.

Financial Assets

U.S. households added an average of $982 to their financial assets in 1968 (see table). This amount included an increase of $647 in savings accounts, demand deposits, and currency; $333 in pension fund and life insurance reserves; $94 in investments in securities; and a decline of $92 in other assets. In 1968, also, households increased their liabilities by an average of $573. Of this amount, $252 was an increase in mortgage debt on homes; $182 was an increase in consumer debts such as installment debts, charge accounts, and single-payment loans; and $139 was an increase in other debts.

The net increase in financial assets in 1968--after deducting liabilities--averaged $409 per household. This figure was low compared with the 1967 gain of $539, chiefly because of smaller additions to savings accounts and larger additions to mortgage and consumer debts. However, the annual net gain was higher in 1968 than earlier in the 1960's.

At the end of 1967, total financial assets averaged about $26,800 and liabilities $6,400 per household. The market value of corporate stocks was a large part of total assets. Comparable figures are not yet available for the end of 1968.

Other Assets

Consumer durables.--Purchases of consumer durables--automobiles, appliances, and furniture--averaged $1,366 per household in 1968. The net increase in the value of

Average change in net saving and components per household, selected years

Item	1960	1962	1964	1966	1967	1968 1/
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Total net saving (financial assets, durables, and homes)	415	574	703	809	892	909
Financial						
Financial assets, total	386	596	766	737	922	982
Saving and demand deposits, currency	218	477	541	363	762	647
Pension fund and life insurance reserves 2/	214	229	277	310	325	333
Investments in securities 3/	23	-31	57	181	-68	94
Other 4/	-69	-79	-109	-117	-97	-92
Liabilities, total	341	375	487	377	383	573
Mortgages on family homes 5/	212	236	286	205	177	252
Consumer debt	85	101	143	119	75	182
Other 6/	44	38	58	53	131	139
Net financial assets (assets less liabilities)	45	221	279	360	539	409
Consumer durables						
Purchases	858	905	1,057	1,213	1,235	1,366
Depreciation on durables	761	784	857	957	1,031	1,086
Net (purchases less depreciation)	97	121	200	256	204	280
Homes 5/						
Purchases of new homes and additions	373	342	345	322	282	356
Depreciation on homes	100	110	121	129	133	136
Net (purchases less depreciation)	273	232	224	193	149	220

1/ Preliminary.
2/ U.S. Government life insurance, Government employee and railroad retirement funds, and private programs. Excludes Old Age Survivors and Disability Insurance.
3/ Government and corporate securities, investments in mortgages.
4/ Investment in own business and partnerships, and statistical discrepancy.
5/ 1- to 4-family houses.
6/ Other mortgages, other bank loans, and statistical discrepancy.

durables owned, after allowing for depreciation, averaged $280--the highest of any year in the 1960's.

Homes.--Purchases of new homes and additions to existing homes in 1968 averaged $356 per household and depreciation on homes averaged $136. The net increase in this form of saving for all U.S. households--including both owners and renters--averaged $220. For homeowners alone, purchases of new homes and additions averaged $555 and depreciation $212, leaving a net increase of $343. Average savings in homes are small mainly because relatively few new homes are bought and few additions are made to existing homes in a year.

Home purchases in 1968 were considerably higher than in 1967. In general, home purchases declined between 1960 and 1967, mainly due to a drop in home construction because of high interest rates and scarcity of mortgage money.

--Lucie G. Krassa

Sources: Computed from data published by the Board of Governors of the Federal Reserve System in Flow of Funds Accounts, 1945-1967, Feb. 1968; Flow of Funds, Seasonally Adjusted, 4th Quarter, 1968, Feb. 1969; and Federal Reserve Bulletin, Feb. 1969; and data from the U.S. Department of Commerce.

SOME CONSIDERATIONS IN FAMILY CREDIT DECISIONS

No simple formula has been devised that families can use to determine how much debt they can safely carry or what percentage of income they can safely commit to installment payments. Because families differ so much in their needs, wants, prospects, and financial resources, such decisions must be made on an individual basis. Basically, sound decisions to use credit must take into account the relationship between the family's income and expenditures for living. Another consideration is how well the family is prepared for hazards that may reduce income or increase expenses. For example, a family may want to consider whether its liquid and investment assets are enough to maintain its level of living and make debt payments for the average time the breadwinner might be out of work if he became unemployed.

Figures 1 to 4 show the financial characteristics in the early 1960's of average families in four broad age groups roughly comparable to the stages of the family life cycle. The information is based on surveys made by Government agencies.1/ Credit commitments are discussed in relation to these financial characteristics and to average periods of unemployment, as reported by the U.S. Department of Labor.2/

1/ U.S. Departments of Agriculture and Labor. Consumer Expenditures and Income, Total United States, Urban and Rural, 1960-61, Supplement 2 to U.S. Bur. Labor Statis. Rpt. 237-93. 1966; and Projector, D. S., and Weiss, G. Survey of Financial Characteristics of Consumers, Board of Governors of the Federal Reserve System. 1966.

2/ U.S. Department of Labor, Bureau of Labor Statistics. Employment and Earnings and Monthly Report on the Labor Force, Jan. 1968, and unpublished data.

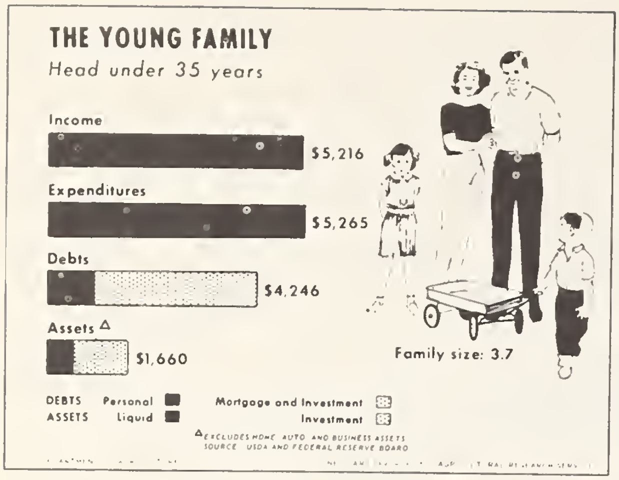

Figure 1

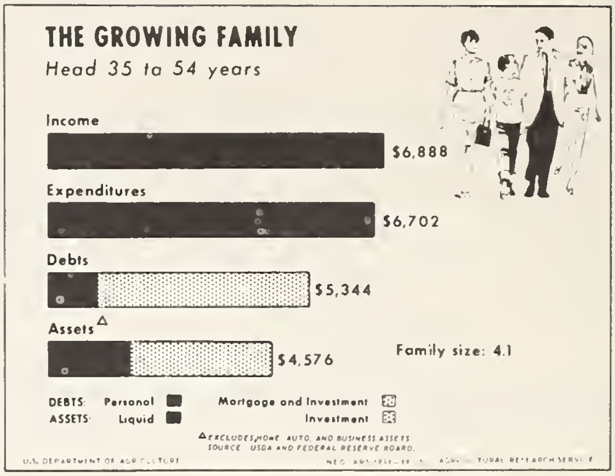

Figure 2

. Young families (head under 35 years) had expenditures averaging slightly higher than income ($5,265 and $5,216, respectively), indicating the use of some savings or credit during the year (fig. 1). In decisions about new debt, the family's first consideration is whether they can make additional payments from current income. They also need to consider the possibility that their expenses may increase as the family grows in size and the needs and wants of the children increase. The average debt of these families was $4,246, of which three-fourths was home mortgage debt. Liquid and investment assets averaged about $1,660--enough to last about 15 weeks at their current level of spending. For men under 35 years who were out of work, unemployment averaged about 8 weeks. Thus, these young families had some leeway for handling living expenses and making payments on debt during unemployment. Their assets in homes, businesses, and cars--averaging about $6,000--were not considered because they cannot be converted easily to cash in an emergency.

. Growing families (head 35 to 54 years old) had income averaging $6,888, a little higher than their $6,702 expenditure (fig. 2). Their debt averaged $5,344--higher than that of the younger families. Liquid and investment assets of $4,576 were enough to last for about 35 weeks at their current level of spending. Unemployed men in this age group were out of work an average of 9 weeks. These families were prepared to handle more debt if they could currently make payments out of income without reducing their level of living.

. Contracting families (head 55 to 64 years) were smaller and had higher incomes and expenditures than young families (fig. 3). As the children leave home, the pressure to assume debt declines. The debt of contracting families averaged $2,833--only about half of that of the younger families. Their liquid and investment assets--$10,325--were enough to cover their spending for 2 years. Men aged 55 to 64 who became unemployed were out of work an average of 17 weeks. They were a little more likely to become unemployed than were the younger men. In general, this age group is more concerned with saving for retirement than with buying goods for which they must assume new debts.

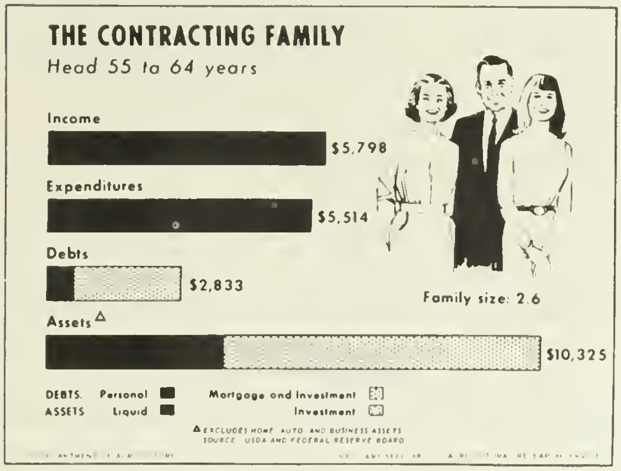

Figure 3

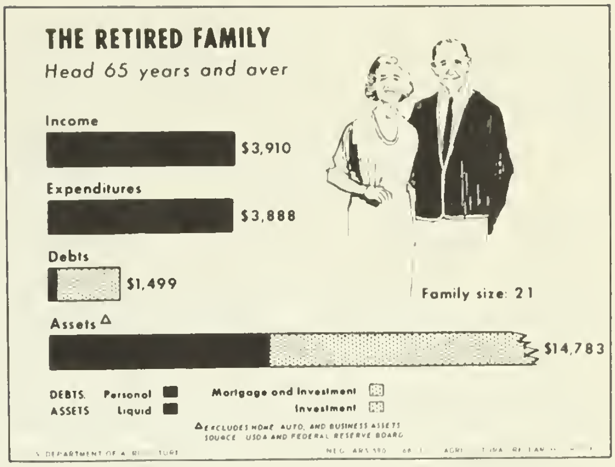

Figure 4

. Retired families (head 65 years and over) had relatively low incomes and expenditures (fig. 4). Their liquid and investment assets averaged almost $15,000. They had a tendency to sell their homes and businesses, converting the assets into forms that were more easily available for use. Average debt was low--$1,500--and was owed mostly on homes and other real estate. Working men aged 65 and over who became unemployed were without work an average of 17 weeks. However, the heads of most of the survey families in this age group were retired. They were more concerned with using their assets for current living than for protection against unemployment.

Families in all four age groups had average liquid and investment assets more than adequate to cover living expenses and make debt payments for an average period of unemployment. However, since they were spending just about what they were earning, a major consideration in making new credit commitments would be whether they could handle more payments out of monthly income.

--Katherine D. Smythe

ISSUES IN INCOME MAINTENANCE DESIGN 1/

Much public attention is currently focused on mechanisms to eliminate poverty and provide economic security. This paper deals with some of the problems of designing programs to provide income for those who are poor despite such existing programs as social insurance, job training, employment, and social services.

Issues in Designing Income Maintenance Programs

Should programs be designed for specific groups of the population?--All existing Federal programs are designed for specific groups or categories of the population, with

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1/ Condensed from a talk by Robert Harris, Executive Director, President's Commission on Income Maintenance Programs, at the Agricultural Outlook Conference, Washington, D.C., Feb. 1969.

such factors as age, physical condition, and employment status as well as need determining eligibility. Using categories makes it possible to tailor programs to the special needs of population groups and to avoid reducing incentives to work, since the programs are designed to aid persons not in the labor force or temporarily unemployed.

Some arguments against designing programs for specific groups or categories of the population are that (1) such programs make it difficult to ensure that all needy persons who cannot work or find a job receive aid, (2) some groups are given considerably more aid than others and the difference cannot be justified on the basis of objective need, and (3) an incentive is created for some persons to become members of the population category eligible for benefits. The pull of categories is not troublesome in programs for the aged, blind, or disabled, since one cannot easily put oneself into these categories. Such programs become suspect, however, when they make it possible for families with female heads to receive benefits that may be higher than the earnings of intact families that are ineligible for aid; or for unemployed men covered under a public program to be better off financially than employed men. For example, some family breakup has been alleged to result from men deserting their families so the families can qualify for Aid to Families With Dependent Children (AFDC). The problems of equity become more severe and the pull of categories greater as program benefits are increased to approach adequacy.

Should a means test be used?--Opponents of the use of a means test argue that such a test is demeaning, since one must publicly declare oneself to be poor to receive benefits. Popular acceptance of Social Security is often attributed to the lack of a means test, and popular derogation of public assistance to the use of such a test. A woman eligible for survivor's benefits under Social Security applies to the local Social Security office and begins to receive monthly checks when her eligibility has been verified. A woman applying for AFDC undergoes a study of her history, living arrangements, assets, liabilities, and other income. She may also have to account for the way she spends her assistance payments.

Some, therefore, argue that the demeaning aspect of public assistance is due largely to the way it is administered, the low benefits, the close supervision of recipients, and the needs tests that often require virtual paupacy. Some of the objections to means-tested programs could be overcome by using a simple, impersonal income test and separating income support from social service functions.

The statement is often made that programs based on such characteristics as age rather than a need test do not divide society into a "poor" receiving class and the rest of the population. All persons in the same category--such as all children--are eligible for benefits. However, programs providing payments on some basis other than need are inefficient in getting money to the poor, for they cost more per dollar going to the poor than need-tested programs, benefit some of the nonpoor, and may not benefit all of the poor. The strongest case for a need-tested program is the cost-benefit ratio. Moreover, if payments are set high enough to help the poor substantially, special mechanisms may be needed to recoup benefits from the nonpoor and to finance benefits to the poor. To design and finance programs where everyone is a net beneficiary or to conceal the selectivity of benefits from those who must pay for them is impossible.

Should employables be aided?--No Federal programs to supplement the earnings of employed men with low wages have been developed, and programs for unemployed men are not well developed. Yet a large part of the poverty population falls into these categories. In 1966, one-third of all persons in poor families were in families in which the head worked all year.

Aiding employable men may impair incentives to work and has been avoided largely because of this. Programs may be designed with built-in work incentive provisions, however, ensuring that those who work will be better off than those who do not.

Much emphasis has been placed on employment and training programs, for it is often assumed that persons who work will not be poor. Certainly finding jobs for employable persons or finding better jobs at higher wages is a desirable goal. However, training programs are often costly and involve a long time lag, jobs are not now available for all who want them, and many jobs do not pay enough to keep families out of poverty.

At what level should incomes be supported?--This is the most difficult question in program design. One obvious problem in setting income-support levels at or above the poverty line in a public program is cost. The higher the basic level the higher the cost, since more people are eligible for support. Moreover, the higher the level of income assured, the greater the problem of maintaining incentives to work. At its heart, the question of levels is political. Technicians can develop estimates of the costs and effects of any program, but a collective decision is required to make a social choice.

Specific Program Proposals

The basic objective of an income maintenance program might be stated as assuring adequate incomes through transfer mechanisms that do not harm financial incentives to work, do not demean recipients, and do not have socially disruptive effects. Many programs with these objectives are being proposed. This paper deals with only a few of these.

Two kinds of programs being discussed in addition to or as alternatives to social insurance modifications are (1) those that would supplement incomes and thus have an income test, and (2) those that would provide payments to people regardless of their other income.

Income supplement programs.--One proposed program would guarantee a minimum annual income for all. The Government would pay the difference between a family's income and a socially defined minimum income. If the Federal Government administered the program, welfare agencies would be relieved of providing cash payments except for emergency aid. Reforming public assistance by setting a uniform standard for payment levels, making men who work eligible for income supplements, and including unrelated individuals would, in effect, provide a guaranteed annual income administered by State and local agencies.

The latter program was essentially proposed by the Advisory Council on Public Welfare in 1966. The plan as outlined is universal in coverage. If the guarantee level is set at the poverty line, poverty is eliminated. One defect of this plan is that it would make it unprofitable to work unless earnings exceeded the guarantee level. A work incentive feature can be added, however, by reducing the guaranteed income payment by something less than a dollar for each dollar earned, rather than dollar for dollar. This type of plan is known as a negative income tax.

All negative income tax plans guarantee a certain income, then allow persons to add earnings that are only partly taxed away. Most proposed plans for negative income taxation cover the entire population, but plans may be designed to cover only certain groups. The 1967 amendments to the Social Security Act, for example, converted the AFDC program into a negative income tax plan for broken families, since only a part of earnings are deducted from payments. A negative income tax plan for all families with children has sometimes been proposed.

The universal negative income tax provides work incentives, is administered in an impersonal manner, and--by tailoring benefits to family size and income--need not make it profitable to become a broken family. Because of the work incentive feature, however, payments are also made to the nonpoor if the guarantee level is set near the poverty line. With a guarantee of $3,300 for a family of four and a 50-percent tax rate, payments are made to families with incomes up to $6,600. If the guarantee level is lower, poverty is not eliminated, although many poor people are helped. With a guarantee level of one-half of the poverty line and a 50-percent tax rate, the program would help all of the poor. A negative income tax program at a low level added to present programs for specified groups would reduce the differentials between persons in these groups and others. Incentives for families to separate would be lessened and all poor persons, including those not in current program categories, would be aided.

Programs unrelated to need.--Programs can be designed to make payments without an income test of any sort. In general, such programs select some group in the population--for example, children under age 18--and the Government makes a flat payment to all persons in that category, regardless of family income. If the program covers the whole population, it is known as a social dividend.

A children's allowance program could eliminate poverty for most families with children if payments were high. A universal social dividend could eliminate poverty completely if set at the poverty level. In this type of program, no stigma or loss of dignity is involved. No reduction in work incentives should result, since payments theoretically are not affected by earnings. However, receiving poverty level payments would give people the options of not working or of reducing their work effort. Family structure might be enhanced, since poor fathers would find it easier to support their children. Moreover, a woman without a husband would be more marriageable, since the new husband would not have to worry about taking on the support of her children.

The basic problem with programs of this type is cost. To eliminate poverty for families with children by means of a children's allowance would be quite costly, since payments would go to rich and poor alike. Financing such a program would require taxing the benefits away from the nonpoor and increasing taxes to pay for benefits to the poor. Payments could be set at a considerably lower level--and require no special taxback from the nonpoor--but then payments would not be adequate for the poor and the poor would still receive a relatively small part of total expenditures for the program.

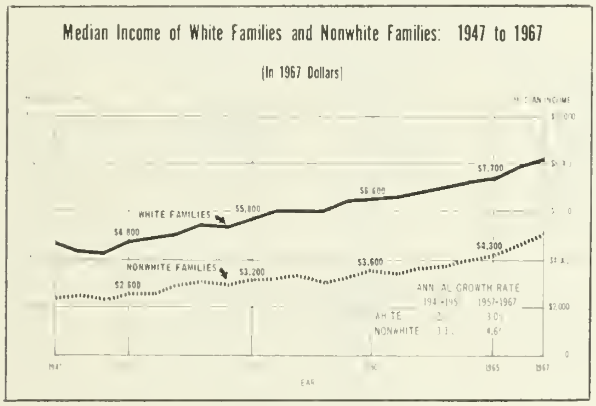
Comparison of programs.--While the mechanisms for transferring funds to the needy are different for negative tax and children's allowance-type programs, the programs can be made the same in meeting income needs of the poor. The main difference is that in negative tax programs an income deficiency is explicitly met, while in children's allowance-type plans payments are made to all in the specified group, and if payments are set at a level to substantially aid the poor, those with incomes above the stated level pay back the benefit in taxes. Given the similarity of the final distribution of costs and benefits under the two programs, the argument that one is more or less socially divisive than the other loses much of its force.

THE CHANGING INCOME DISTRIBUTION 1/

The average (median) income of U.S. families has grown steadily since World War II. Median income in 1967 dollars grew at an annual rate of 2.7 percent from 1947 to 1957 and 3.1 percent since 1957. The rate of growth was somewhat higher for nonwhite than for white families. As a result, median income of nonwhite families was 62 percent as large as that of white families in 1967, compared with 54 percent in 1950. In terms of absolute dollars, however, the income gap between the two groups has been widening. Their median incomes (in 1967 dollars) differed by about $3,100 in 1967 compared with $2,200 in 1950.

At a projected annual growth rate of 3 percent, median income in 1985 might be about $13,800 in 1967 dollars compared with $8,000 in 1967 (table 1). About 44 percent of the families would then have incomes over $15,000 and poverty as defined today would be greatly reduced. The projected median income in 1985 for nonwhite families is $11,600 and the projected proportion of families with incomes under $3,000 is 8 percent. Although incomes of white families would still be higher than those of nonwhites, they would not have grown as fast. The median income for white families in 1985 would be about 3 times what it was in 1947 and the median for nonwhites about 5 times the 1947 level.

The share of total income received by the wealthiest 5 percent of the families dropped from about 17 percent in 1960 to about 15 percent in 1967, indicating some reduction in income inequality (fig. 2). The share received by the poorest 20 percent has changed very little. Since the mid-1950's, it has been about 5 percent. The chart shows a slight upward trend, but next year it could go down. If all of the poor could be raised above the poverty line, the share of total income received by the lowest 20 percent would probably not go much over 6 percent.


Median Income of White Families and Nonwhite Families: 1947 to 1967

(In 1967 Dollars)

Figure 1

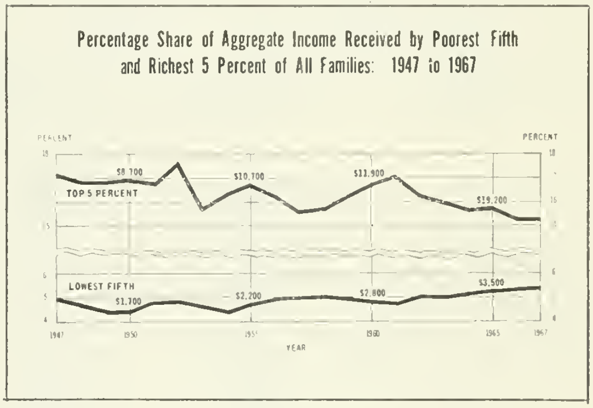

Percentage Share of Aggregate Income Received by Poorest Fifth and Richest 5 Percent of All Families: 1947 to 1967

Figure 2

Persons below the poverty level dropped from about 22 percent of the total population in 1959 to 13 percent in 1967 (table 2). The proportion of nonwhite persons below the poverty line dropped from 55 to 35 percent. Data indicate that the poverty line, which is adjusted for price changes but not for rising standards of living, rises about $0.30 for every $1 increase in average family income.

1/ Condensed from a talk by Herman P. Miller, Chief, Population Division, U.S. Bureau of the Census, at the Agricultural Outlook Conference, Washington, D.C., Feb. 1969.

Income increases between 1959 and 1967 were greater in suburban areas than in cities. Median income rose 16 percent (from $6,700 to $7,800) in central cities and 22 percent (from $7,700 to $9,400) in suburban areas (table 3). Median income of central cities as a percentage of median income of areas outside central cities declined.

Table 1.--Median money income and distribution by income of U.S., white, and nonwhite families, 1947, 1957, 1967, and 1985 (projected), in 1967 dollars

Families and money income	1985 (projected)	1967	1957	1947
All U.S. families				
Total number-----thousands---	68,282	49,834	43,696	37,237
Median income----dollars-----	13,800	7,974	5,889	4,531
	Percent	Percent	Percent	Percent
All ----------------------	100	100	100	100
Under $3,000 ----------------	6	13	20	27
$3,000 to $4,999 ------------	6	13	19	30
$5,000 to $6,999 ------------	8	16	24	21
$7,000 to $9,999 ------------	12	24	22	14
$10,000 to $14,999 ----------	25	22	11)	9
$15,000 and over ------------	44	12	4)	
White families				
Total number-----thousands---	(1/)	44,814	39,676	34,120
Median income----dollars-----	14,100	8,274	6,130	4,720
	Percent	Percent	Percent	Percent
All ----------------------	100	100	100	100
Under $3,000 ----------------	4	11	18	24
$3,000 to $4,999 ------------	6	12	19	30
$5,000 to $6,999 ------------	7	16	25	22
$7,000 to $9,999 ------------	12	25	23	14
$10,000 to $14,999 ----------	24	24	12)	10
$15,000 and over ------------	47	13	4)	
Nonwhite families				
Total number-----thousands---	(1/)	5,020	4,020	3,117
Median income----dollars-----	11,600	5,141	3,278	2,418
	Percent	Percent	Percent	Percent
All ----------------------	100	100	100	100
Under $3,000 ----------------	8	27	47	62
$3,000 to $4,999 ------------	9	22	24	22
$5,000 to $6,999 ------------	10	18	16	8
$7,000 to $9,999 ------------	16	17	9	5
$10,000 to $14,999 ----------	21	12	3)	2
$15,000 and over ------------	36	5	(2/))	

1/ Not available.

2/ Less than 0.5.

Table 2.--Persons below the poverty level,[1] 1959 to 1967

Year	Number			Percent		
	Total	White	Nonwhite	Total	White	Nonwhite
	Millions	Millions	Millions			
1959 -------	38.9	28.2	10.7	22	18	55
1960 -------	40.1	28.7	11.4	22	18	55
1961 -------	38.1	26.5	11.6	21	17	55
1962 -------	37.0	25.4	11.6	20	16	54
1963 -------	35.3	24.1	11.2	19	15	51
1964 -------	34.3	23.4	10.9	18	14	49
1965 -------	31.9	21.4	10.5	17	13	46
1966 -------	29.7	20.1	9.6	15	12	41
1966 2/-----	28.8	19.5	9.3	15	12	40
1967 2/-----	26.1	17.8	8.4	13	10	35

1/ Reflects improved statistical procedures in processing income data.
2/ Based on revised methodology.

Table 3.--Median income in 1967 and 1959 (in 1967 dollars) of families in metropolitan areas, by race, and percentage increase, 1959 to 1967

Metropolitan area and race	1967	1959	Increase, 1959 to 1967
	Dollars	Dollars	Percent
Median income			
All metropolitan areas -------	8,700	7,200	21
White ---------------------	9,000	7,500	20
Negro ---------------------	5,700	4,300	31
Central cities ---------------	7,800	6,700	16
White ---------------------	8,300	7,200	16
Negro ---------------------	5,600	4,400	28
Areas of 1,000,000 or more ---	9,100	7,700	18
White ---------------------	8,500	7,600	12
Negro ---------------------	5,800	4,800	20
Areas under 1,000,000 --------	8,200	6,600	24
White ---------------------	8,100	6,800	19
Negro ---------------------	5,300	3,600	48
Outside central cities -------	9,400	7,700	22
White ---------------------	9,500	7,800	22
Negro ---------------------	5,900	4,000	47
Ratio of Negro to white family income	Percent	Percent	
All metropolitan areas -------	0.63	0.58	--
Central cities ---------------	0.68	0.61	--
Areas of 1,000,000 or more ---	0.68	0.64	--
Areas under 1,000,000 --------	0.65	0.52	
Outside central cities -------	0.62	0.51	--

In central cities, the median income of Negro families (the major part of the nonwhite population) gained relatively more than that of white families -- 28 percent and 16 percent, respectively. In large cities such as New York and Chicago, median income was up 20 percent for Negroes and 12 percent for white families. Thus, the income gap narrowed somewhat even in the central cities.

The number of families with incomes of $10,000 or more has grown dramatically. About one-fifth of the Negro families in metropolitan areas have incomes that high (table 4). The proportion of Negro families in these areas with incomes of $10,000 or more has doubled since 1959.

Table 4.--Families in metropolitan areas with incomes of $10,000 and over in 1967 and 1959 (in 1967 dollars), by race

Metropolitan area and race	$10,000 and over		$15,000 and over	
	1967	1959	1967	1959
	Percent	Percent	Percent	Percent
All metropolitan areas				
Total	40	26	15	9
White	42	28	16	9
Negro	18	7	5	1
Central cities				
Total	33	23	12	7
White	37	27	13	9
Negro	18	7	5	1
Areas of 1,000,000 or more				
Total	34	27	13	8
White	39	30	15	10
Negro	20	10	6	2
Areas under 1,000,000				
Total	33	21	11	6
White	35	23	12	7
Negro	15	4	4	4
Outside central cities				
Total	45	29	17	10
White	46	30	18	10
Negro	19	8	6	1

Working wives have contributed much to the rising level of family incomes. About 37 percent of U.S. wives are in the labor force today, compared with 23 percent in March 1952. About one-half of the husband-wife families with incomes of $10,000 and over in 1967 had wives in the labor force, helping to bring the incomes to this level. In families with incomes under $3,000, only 14 percent of the wives were in the labor force. The proportion of wives in the labor force was highest (44 to 46 percent) in families where the husband earned between $3,000 and $7,000, and lowest (17 percent) in those where his earnings were $25,000 and over. Working wives whose husbands had high earnings contributed a smaller percentage of the family income than those whose husbands earned smaller amounts.

RURAL CHANGE - PERSPECTIVE FOR THE 1970's [1]

Some business analysts began the current decade by referring to it as the "soaring sixties." In the aggregate, much of the promise was more than fulfilled. So far in the 1960's the Gross National Product had real growth of about 50 percent, more than 10 million additional workers entered the labor force, and unemployment dropped to 3.5 percent from 5.5 percent. The effects of this expansion have special significance for rural America. During the 1960's--

. The rate of decline in the farm population continued through most of the decade, with some apparent slowdown in 1967-68.

. Loss of population by migration from rural-semirural areas slowed greatly. It varied considerably among regions, however. Some 1,000 counties, mostly rural, declined in population because of outmigration.

. Nearly 700 rural-semirural counties gained over 500 nonfarm jobs each. In about 300 of these counties, jobs increased by 1,000 or more between 1962 and 1967. In about 750 counties the number of jobs grew slowly, and in 268 counties declined.

. Jobs for rural people increased more near the north-northeast industrial complexes and in the South than elsewhere. Little or no growth occurred in most of the rural counties of the Intermountain, Great Plains, Ozark, and Appalachian Regions.

. In rural-semirural counties, growth in nonfarm employment just about offset declines in farm employment. However, growth in nonfarm jobs and losses in farm jobs were not necessarily in the same regions.

The Seventies

Agriculture.--In some respects, a continuation of what has been evolving in agriculture in the 1960's can be expected. Although the major impact of technological change on labor needs has probably occurred, a decline of nearly one-third in the use of labor is anticipated in the 1970's. The remaining single crop requiring large amounts of labor -- tobacco -- will likely undergo fairly complete mechanization. This will have serious consequences for the rural population and institutions in about 300 counties of the Southeast, for it may add large numbers of poorly qualified, immobile people to the region. Mechanization of vegetable and fruit crops will proceed, also. We can look forward to the elimination of most migratory labor.

Larger farm production units will evolve, for economies of scale have not yet been fully realized. Needs for capital in agriculture will be an important factor in further change, pressing toward economies of capital management rather than technological adjustments. Computerization of management information introduces a new level of scale in the farm production plant, moving it toward a size that challenges past and current ideas of size efficiency. Probably the number of farms will not be more than one-half to two-thirds of the current number by the end of the 1970's.

Agriculture in all its phases is now in the process of "industrialization." It has taken on such characteristics of nonfarm industry as specialization, standardization of product, and separation of functions of ownership, financing, management, and labor. Nearly all technological change is pressing in this direction. The 1970's will see a continuation of this process.

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[1] Condensed from a talk by John H. Southern, Economic Research Service, U.S. Department of Agriculture, at the Agricultural Outlook Conference, Washington, D.C., Feb. 1969. (Retired, Feb. 1969.)

Rural development.--The scope and direction of rural development are more difficult to examine and evaluate than the changes expected in agriculture. Economic development is an area not yet well defined or documented. However, several reasonable statements may be made about the next few years.

The dispersion of job growth has been favorable for several regions. Undoubtedly this has occurred because of a rapidly growing economy, which serves to generate growth in many areas. A national growth environment must exist if rural areas are to grow at all. Growth of the total economy rather than decentralization has been the chief factor in dispersed economic growth. The situation in the past few years, when growth in nonfarm employment just about offset the decline in farm employment, is significant in essentially rural counties.

If the rate of economic growth slows down, small cities and their rural manpower reservoirs will probably be first to feel the impact. A shrinking economy would not be likely to reach into small cities and towns with new investments, plants, and establishments. Rural areas and their labor forces might be expected to have a declining share of growth. If such a decline did not occur, it would signal a real change in industrial relocation and decentralization.

Regional variations in rates of past growth and the reasons for growth in some areas when others declined are important considerations in planning for future development. Mechanized agricultural areas, coal mining, and forestry regions have lost population rapidly. Nearness to metropolitan centers has generally slowed population loss in rural areas. In California, Arizona, Florida, and the Gulf Coast region, rural areas as well as towns and cities have grown rapidly. Where the economy offers job opportunities, the rural population will remain stable or increase. In rural areas where a sound economic base does not exist, small cities and adjacent areas might be revitalized by attracting industry, creating recreational enterprises, establishing educational institutions, training the labor supply, and providing cultural amenities to make the area more attractive.

Past performance indicates that no one size of city is optimal for all purposes. Growth has occurred in cities and towns varying in population from 10,000 or less to 1,000,000. More important for potential growth than numbers of people will be: Diversified economy; viable local government and other institutions; adequate housing; adequate highways; and possibly proximity to larger centers of population. Other considerations will be: Economies of scale in relation to other cities and towns in the region; opportunity for people at all levels of income and skill to form a community; and flexibility in rate and direction of future growth. Towns and cities of many sizes and types are needed to provide for growth of dispersed areas, to counter the massive piling up of population in large metropolitan areas.

The climate for and concept of rural development are now more favorable than before. A substantial knowledge and analytical base are being made available through the colleges, the U.S. Department of Agriculture, other Government agencies, and many private schools. Beginnings for better approaches to human and economic development are available from regional development commissions and other public and private efforts.

Some Implications

Industrialization is creating new areas of concern for agriculture as an industry. Past goals and objectives in research, education, and public policy need modification. Treating farming as America's last "cottage industry" and therefore something to be preserved must give way to concern about industrialization--how producers can adjust to it and how the benefits of change can best be spread among the factors of production. A major concern must be labor returns to persons rather than to land or commodities. Policies during the 1970's probably will show much more concern about "who gets what" in the industry of agriculture.

There is a definite implication of close interdependence among sectors in the process of economic growth and development. Social issues may play a much greater role. Social goals may require that policies cannot be used to drain large regions of population and resources, piling them up in a few megalopolises. Public goals and objectives for growth through regionalization can be realized in part when the expanding public sector of the economy is used to bring growth and development to lagging regions and rural areas.

BUDGETS FOR THREE STANDARDS OF LIVING FOR AN URBAN FAMILY OF FOUR

The Bureau of Labor Statistics (BLS) has prepared spring 1967 cost estimates for its budget for a moderate standard of living for an urban family of four.1/ It has also published two new budgets--one for a lower standard and the other for a higher standard of living--for the same type of family. The family is made up of a 38-year-old husband employed full time, a wife not employed outside the home, a boy 13, and a girl 8. The husband is assumed to be an experienced worker, well-advanced in his trade or profession. Average estimated cost for urban areas in spring 1967 was $5,915 for the lower, $9,076 for the moderate, and $13,050 for the higher budget.

The BLS budgets reflect ways of living and consumer choices in the 1960's. The selection of goods and services was based, where possible, on standards of adequacy as defined by scientists and experts and translated to reflect actual buying practices of families. Where such standards were not available, the kinds, quantities, and qualities of items were based on analyses of data from studies of consumption and spending. Each budget assumes that maintenance of health, nurture of children, and participation in community activities are desirable and necessary goals.

The manner of living represented by the lower budget differs from that in the other two mainly in that the family lives in rental housing without air conditioning, performs more services for itself, and uses more free recreation facilities. The higher budget differs from the moderate one in that it reflects a higher rate of homeownership and provides for a larger automobile allowance, more household appliances and equipment, and more paid services.

1/ U.S. Department of Labor, Bureau of Labor Statistics. Three Standards of Living for an Urban Family of Four Persons, Spring 1967. Bur. Labor Statis. Bul. 1570-5. 1969. For sale for $1.00 by Supt. of Doc., U.S. Govt. Print. Off., Washington, D.C. 20402.

Annual costs of budgets for 3 living standards for a 4-person family,1/ urban United States, 39 metropolitan areas, and nonmetropolitan areas in 4 regions, spring 1967

Area	Low budget	Moderate budget			High budget		
	All (renters) 2/	All	Home-owners	Renters	All	Home-owners	Renters
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Urban United States	5,915	9,076	9,273	8,485	13,050	13,139	12,549
Metropolitan areas	5,994	9,243	9,453	8,616	13,367	13,449	12,897
Nonmetropolitan areas 3/	5,564	8,322	8,463	7,899	11,640	11,754	10,995
Northeast							
Boston, Mass.	6,251	9,973	10,322	8,925	14,568	14,791	13,301
Buffalo, N.Y.	6,083	9,624	9,885	8,842	13,679	13,832	12,815
Hartford, Conn.	6,422	9,833	10,067	9,132	13,814	13,953	13,029
Lancaster, Pa.	5,823	8,960	9,126	8,463	12,610	12,708	12,056
New York-Northeastern N.J.	6,021	9,977	10,333	8,911	14,868	14,987	14,201
Philadelphia, Pa.-N.J.	5,898	9,079	9,321	8,353	13,131	13,099	13,314
Pittsburgh, Pa.	5,841	8,764	8,928	8,273	12,551	12,668	11,889
Portland, Maine	5,951	9,195	9,405	8,563	12,660	12,816	11,779
Nonmetropolitan areas 3/	5,703	8,981	9,248	8,178	12,428	12,621	11,341
North Central							
Cedar Rapids, Iowa	6,223	9,358	9,529	8,847	13,307	13,391	12,831
Champaign-Urbana, Ill.	6,257	9,257	9,367	8,925	13,199	13,278	12,748
Chicago, Ill.-Northwestern Ind.	6,104	9,334	9,567	8,636	13,325	13,392	12,938
Cincinnati, Ohio-Ky.-Ind.	5,702	8,826	9,051	8,152	12,283	12,433	11,430
Cleveland, Ohio	5,915	9,262	9,580	8,311	12,997	13,187	11,923
Dayton, Ohio	5,796	8,636	8,743	8,314	12,392	12,408	12,293
Detroit, Mich.	5,873	8,981	9,183	8,374	12,911	12,949	12,698
Green Bay, Wis.	5,757	8,955	9,201	8,215	12,944	13,116	11,968
Indianapolis, Ind.	6,124	9,232	9,445	8,593	13,111	13,286	12,120
Kansas City, Mo.-Kans.	5,957	8,965	9,107	8,540	12,732	12,808	12,301
Milwaukee, Wis.	6,104	9,544	9,842	8,650	13,636	13,812	12,636
Minneapolis-St. Paul, Minn.	6,058	9,399	9,608	8,772	13,348	13,457	12,728
St. Louis, Mo.-Ill.	6,002	9,140	9,340	8,542	12,813	12,924	12,190
Wichita, Kans.	5,978	8,907	9,038	8,514	12,595	12,669	12,178
Nonmetropolitan areas 3/	5,823	8,511	8,654	8,081	11,982	12,132	11,130
South							
Atlanta, Ga.	5,597	8,328	8,420	8,053	11,846	11,928	11,386
Austin, Tex.	5,237	7,952	8,041	7,685	11,299	11,325	11,150
Baltimore, Md.	5,820	8,685	8,743	8,512	12,728	12,733	12,697
Baton Rouge, La.	5,402	8,348	8,500	7,889	12,375	12,467	11,857
Dallas, Tex.	5,607	8,345	8,417	8,130	12,157	12,082	12,577
Durham, N.C.	5,570	8,641	8,805	8,149	12,431	12,561	11,688
Houston, Tex.	5,542	8,301	8,408	7,979	11,897	11,954	11,567
Nashville, Tenn.	5,512	8,388	8,551	7,899	12,055	12,118	11,699
Orlando, Fla.	5,419	8,227	8,329	7,922	12,024	12,169	11,207
Washington, D.C.-Md.-Va.	6,133	9,273	9,470	8,683	13,419	13,495	12,992
Nonmetropolitan areas 3/	5,224	7,784	7,875	7,514	10,909	10,972	10,551
West							
Bakersfield, Calif.	5,779	8,822	8,983	8,338	12,660	12,766	12,057
Denver, Colo.	5,905	9,080	9,253	8,561	13,011	13,018	12,973
Honolulu, Hawaii	7,246	10,902	11,110	10,277	16,076	16,241	15,137
Los Angeles-Long Beach, Calif.	6,305	9,326	9,449	8,960	13,645	13,639	13,683
San Diego, Calif.	6,002	9,209	9,421	8,572	13,461	13,592	12,714
San Francisco-Oakland, Calif.	6,571	9,774	9,902	9,391	14,079	14,124	13,825
Seattle-Everett, Wash.	6,520	9,550	9,669	9,195	13,486	13,568	13,022
Nonmetropolitan areas 3/	6,085	8,890	9,027	8,478	12,438	12,564	11,723

1/ Employed husband 38 years of age, wife not employed outside the home, girl 8, and boy 13.

2/ All families assumed to be renters.

3/ Places with population of 2,500 to 50,000.

BLS has estimated the average cost of each budget for urban United States, U.S. metropolitan and nonmetropolitan areas, for 39 individual metropolitan areas, and for a sample of nonmetropolitan areas in each of the four regions. It gives costs separately for homeowners and renters at the two higher budget levels, but for renters only at the lower level because renting is much more common among lower-income families. Total budget costs for each of these groups at spring 1967 prices are shown in the table on page 20.

A detailed breakdown of the budget costs is given in the BLS report (see footnote 1/). Estimates are given for each budget level and geographic area for food, housing, transportation, clothing, personal care, medical care, reading, recreation, education, other family consumption, gifts and contributions, life insurance, social security and disability payments, personal taxes, and occupational expense. The report also gives details on quantities and qualities of items in each budget, intercity indexes of living costs, and rough estimates of fall 1968 costs for the family consumption part of the budgets. BLS plans to reestimate the cost of the budgets each spring.

Budget costs for families differing in composition from the 4-person budget family can be estimated by using a scale published in the BLS bulletin, Revised Equivalence Scale for Estimating Equivalent Incomes or Budget Costs by Family Type. 2/

The BLS budgets are not meant for use as patterns individual families should follow in setting up their own spending plans. They have been prepared to fulfill the need of social planners for objective, quantitative standards with which the incomes of families and population groups can be compared. The budgets provide guides for social and legislative programs dealing with wages, prices, credit, public assistance, and taxes. They are also useful for measuring differences in living costs among cities and areas.

2/ U.S. Department of Labor, Bureau of Labor Statistics, Bul. 1570-2. 1968. For sale for 35 cents by Supt. of Doc., U.S. Govt. Print. Off., Washington, D.C. 20402.

"TRUTH-IN-LENDING" GOES INTO EFFECT

The "truth-in-lending" part of the Consumer Protection Act of 1968 goes into effect July 1, 1969. After that, creditors must disclose to consumers what they are paying for most types of credit. The information must be given clearly and conspicuously before the credit transaction is completed--for example, in the note, contract, or other agreement the consumer signs when he makes a credit purchase or gets a loan.

Before the consumer signs up for a revolving charge account or credit card account, he must be told how the finance charge is to be figured; the finance charge as an annual percentage rate; how long he has to pay a bill before a charge is imposed; the minimum payment required; and additional charges he may be asked to pay.

For other types of credit, such as installment purchases and loans, information given the consumer must include the total amount being financed; an itemized account of charges being made; the total finance charge in dollars (not required in the sale of a home); the finance charge as an annual percentage rate (not required for certain small loans); the number, amount, and due dates of the payments to be made by the debtor; charges that will be added for late payment of installments; a description of any security the creditor will hold; and the penalty for prepayment of the debt. A customer who has signed his residence as security for a debt that is not for purchase of a home has the right to cancel the transaction within 3 business days if he changes his mind.

The law provides for truth in advertising consumer credit, also. An advertiser may not mention any one credit term unless he gives all terms, clearly and conspicuously. This would eliminate ads with such promises as "No money down, all the time you want to pay" but with no mention of what the cost will be.

The truth-in-lending law does not fix maximum or minimum charges or interest rates for consumer credit. Nor does it cover credit transactions within States that request and obtain exemption because their laws have the same requirements as the Federal law and adequate provision for enforcement.

CONSUMER EDUCATION BIBLIOGRAPHY AVAILABLE

Consumer Education Bibliography is a new publication prepared for the President's Committee on Consumer Interests that will be useful to teachers and others interested in consumer affairs. It lists and gives a brief description of the contents of over 2,000 books, booklets, articles, films, and other materials. Copies are available for 65 cents from the Supt. of Documents, U.S. Govt. Printing Office, Washington, D.C. 20402.

SOME NEW USDA PUBLICATIONS

(Please give your ZIP code in your return address when you order these.)

Single copies of the following are available free from the Consumer and Food Economics Research Division, Agricultural Research Service, U.S. Department of Agriculture, Federal Center Building, Hyattsville, Md. 20782:

- FOOD INTAKE AND NUTRITIVE VALUE OF DIETS OF MEN, WOMEN, AND CHILDREN IN THE UNITED STATES, SPRING 1965--A Preliminary Report. ARS 62-18.
- CHARTS OF THE CONSUMER AND FOOD ECONOMICS RESEARCH DIVISION. ARS 62-20.

This 16-page catalog shows 142 charts prepared for use in research reports, speeches, journal articles, Family Economics Review, and other releases. The charts illustrate the findings from studies conducted by CFE and other Federal agencies on such topics as family income and expenditures, food consumption, diet quality, homefreezer management, housing, and consumer prices. Persons wishing to use the charts may buy them as slides or photographic prints from the Office of Information of USDA.

Single copies of the following are available free from the Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250:

- PORK IN FAMILY MEALS: A Guide for Consumers. HG No. 160.
- APPLES IN APPEALING WAYS. HG No. 161.

COST OF FOOD AT HOME

Cost of food at home estimated for food plans at three cost levels, March 1969, U.S. average 1/

Sex-age groups 2/	Cost for 1 week			Cost for 1 month		
	Low-cost plan	Moderate-cost plan	Liberal plan	Low-cost plan	Moderate-cost plan	Liberal plan
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
FAMILIES						
Family of 2:						
20 to 35 years 3/----	17.00	21.80	26.60	73.90	94.00	115.50
55 to 75 years 3/----	14.00	18.20	21.70	60.60	78.40	94.30
Family of 4:						
Preschool children 4/	24.70	31.60	38.40	107.50	136.90	166.50
School children 5/---	28.80	36.90	45.10	124.80	159.40	195.60
INDIVIDUALS 6/						
Children, under 1 year	3.30	4.20	4.70	14.50	18.20	20.40
1 to 3 years --------	4.20	5.30	6.40	18.40	23.20	27.70
3 to 6 years --------	5.00	6.50	7.80	21.90	28.20	33.80
6 to 9 years --------	6.10	7.90	9.80	26.60	34.10	42.50
Girls, 9 to 12 years --	7.00	9.00	10.60	30.30	39.00	45.70
12 to 15 years ------	7.70	10.00	12.10	33.40	43.20	52.20
15 to 20 years ------	7.90	9.90	11.80	34.10	42.90	51.00
Boys, 9 to 12 years ---	7.20	9.20	11.10	31.00	39.80	48.10
12 to 15 years ------	8.40	11.00	13.10	36.30	47.60	56.70
15 to 20 years ------	9.60	12.20	14.80	41.70	52.90	63.90
Women, 20 to 35 years -	7.20	9.20	11.00	31.20	39.70	47.80
35 to 55 years ------	6.90	8.80	10.60	29.90	38.20	46.00
55 to 75 years ------	5.90	7.60	9.00	25.40	32.80	39.10
75 years and over ---	5.30	6.70	8.20	23.00	29.20	35.70
Pregnant ------------	8.60	10.70	12.60	37.10	46.30	54.80
Nursing -------------	9.90	12.30	14.40	43.10	53.40	62.60
Men, 20 to 35 years ---	8.30	10.60	13.20	36.00	45.80	57.20
35 to 55 years ------	7.70	9.80	12.00	33.40	42.60	52.10
55 to 75 years ------	6.80	8.90	10.70	29.70	38.50	46.60
75 years and over ---	6.40	8.60	10.30	27.70	37.10	44.80

1/ Estimates computed from quantities in food plans published in *Family Economics Review*, October 1964. Costs of the plans were first estimated by using average price per pound of each food group paid by urban survey families at 3 income levels in 1965. These prices were adjusted to current levels by use of *Retail Food Prices by Cities*, released by the Bureau of Labor Statistics.

2/ Persons of the first age listed up to but not including the second age.

3/ 10 percent added for family size adjustment. For derivation of factors for adjustment, see *Family Food Plans and Food Costs*, USDA, HERR No. 20.

4/ Man and woman, 20 to 35 years; children 1 to 3 and 3 to 6 years.

5/ Man and woman, 20 to 35 years; child 6 to 9; and boy 9 to 12 years.

6/ Costs given for persons in families of 4. For other size families, adjust thus: 1-person, add 20 percent; 2-person, add 10 percent; 3-person, add 5 percent; 5-person, subtract 5 percent; 6-or-more-person, subtract 10 percent.

CONSUMER PRICES

Consumer Price Index for Urban Wage Earners and Clerical Workers (including single workers) (1957-59 = 100)

Group	April 1968	Feb. 1969	March 1969	April 1969
All items	119.9	124.6	125.6	126.4
Food	118.3	121.9	122.4	123.2
Food at home	115.1	118.1	118.5	119.3
Food away from home	134.4	140.7	141.3	142.2
Housing	117.5	123.3	124.4	125.3
Shelter	121.3	128.9	130.5	131.6
Rent	114.4	117.2	117.5	117.8
Homeownership	124.0	133.6	135.7	137.1
Fuel and utilities	110.0	111.8	112.2	112.6
Fuel oil and coal	114.0	116.9	117.2	117.4
Gas and electricity	109.5	110.2	110.6	111.2
Household furnishings and operation	112.2	115.8	116.4	116.9
Apparel and upkeep	118.4	123.9	124.9	125.6
Men's and boys'	119.2	125.3	126.4	127.3
Women's and girls'	114.5	119.3	120.6	121.0
Footwear	130.4	136.8	137.6	138.4
Transportation	119.0	122.0	124.3	124.6
Private	116.8	119.3	121.6	121.9
Public	137.2	145.5	147.5	148.0
Health and recreation	128.8	133.7	134.3	135.1
Medical care	143.5	151.3	152.5	153.6
Personal care	119.0	124.1	124.8	125.5
Reading and recreation	124.9	128.4	128.7	129.6
Other goods and services	122.5	125.8	126.1	126.6

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Index of Prices Paid by Farmers for Family Living Items (1957-59 = 100)

Item	May 1968	Dec. 1968	Jan. 1969	Feb. 1969	Mar. 1969	Apr. 1969	May 1969
All items	117	119	120	120	122	122	123
Food and tobacco	-	120	-	-	121	-	-
Clothing	-	135	-	-	137	-	-
Household operation	-	118	-	-	118	-	-
Household furnishings	-	103	-	-	105	-	-
Building materials, house	-	119	-	-	127	-	-

Source: U.S. Department of Agriculture, Statistical Reporting Service.

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